

CELSIUS EX. 90

Message

From: Bethany Davis [bethany.davis@celsius.network]
on behalf of Bethany Davis <bethany.davis@celsius.network> [bethany.davis@celsius.network]
Sent: 12/6/2021 4:22:43 PM
To: Roni Pavon [roni@celsius.network]; Tushar Nadkarni [tushar@celsius.network]
Subject: Fwd: Cel token fixes

From our dear Celsius Otis.

----- Forwarded message -----

From: OTIS DAVIS <otisd1234@icloud.com>
Date: Mon, Dec 6, 2021 at 11:21 AM
Subject: Cel token fixes
To: Alex Mashinsky <alex@mashinsky.com>
Cc: Bethany Davis <bethany.davis@celsius.network>

CEL TOKEN FIXES:

1. We really wanted an hour with you but we know you're very busy, so we thought that you'd agree to the half hour.
2. Use the JetBlue Mosaic service as an example.
3. The first question to ask Alex is: Do you want to get rid of the CEL token? The answer will be no.
4. The goal is to catch a Bitcoin maxi's eyes. We don't want to penalize the Bitcoin and Eth maxi's on the platform. So we have to find a way to implement changes but changes that won't let the Bitcoin and Eth maxi's feel like they're being targeted specifically for using Celsius Network and not owning any CEL tokens.
5. All loans taken against CEL is 0% APR.
6. You can do 33% LTV @1% but keep this one in your back pocket if you're not ready to do this now, as this may screw up your numbers and it's for all across the board, not one country specifically. You can do 0% loans in every jurisdiction that you can and 1% in any jurisdiction that you're not allowed to do 0% APR loans.
7. Here's an FTX example: If you hold a certain amount of FTX tokens you trade for free.
8. That pay interest in CEL needs to change. It's not dramatic enough. If you're paying back the loan interest with CEL token, you get a 50% discount. That's what you call a utility. You go big or go home.
9. Raise the earn-in-CEL interest rate, and it has to be a significant enough raise that even a Bitcoin maxi will have to stop and take notice and think about buying CEL; not that they will necessarily buy CEL, but that they have to think about buying it because of the earn-in-CEL rate, which will make them think and perhaps buy CEL in the future. That's the effect you want, because if it can catch the eyes of a Bitcoin maxi, it will catch the eyes of everyone else.
10. If you're not an active member of the Celsius Community you can't get the same benefits as people holding the CEL token.
11. In essence, the Top 500 members will be platinum or Elite members and you can adjust that over time. If you have 100,000 platinum or Elite members, which is 25% of your active depositors today, you're guaranteed to have 100 million CEL tokens locked up. And you don't even have 100 million tokens to offer anybody.
12. The name I suggest is Centurian or a Celturian, or come up with a name. Or just use the term "Elite," as in you're an Elite member of Celsius, similar to what JetBlue does with their Mosaic program.
13. The platinum/Elite tier level has to have some bite to it, it has to have some teeth. If that's NOT the case, just get rid of the tier level totally, just scrap the tier level. Then you can focus on whoever is interacting with CEL get better benefits. Or do what I suggest and just have one tier level and call it Elite.

14. You have to set CEL up like a diamond, like a bad bitch; you're happily married, yeah, but you have to look at her, because she's so fucking hot, smoking hot.

15. This will incentivize everyone to buy and hold CEL token, even the maxi's, as the maxi's will realize that in order to get a higher in-kind rate on their BTC or ETH they have to hold a certain amount of CEL tokens. And if you don't wish to hold that amount of CEL tokens, that's OK, you just won't be able to earn that higher in-kind rate on your BTC or ETH, etc. And these rules can be revisited and/or changed once CEL gets above \$10 or \$15. In other words, it's all hands on deck until the SEC makes the rules clear, and everyone on the Celsius Network platform has to help keep the company a going-concern, including the Bitcoin and Ethereum maxi's. If you're on this platform, you have to help by holding some amount of CEL to get the best in-kind rewards. Once anyone gets a taste of Mashinsky's "good water," they will never leave Celsius and put their coins in cold storage, because Celsius has changed their lives and adjusted their lifestyle for the better: All they have to do is sit back, relax and live off their interest, which arrives like clockwork every Monday on time every time.

16. There's no added incentive to earn CEL in-kind, the added incentive is to earn in CEL. The international user earns 25% more on BTC, ETH (etc) if they earn in CEL. There's no incentive for a tier level there. If you're a platinum/Elite member in the US, where you don't have options to earn in CEL (or even outside the US you don't want to earn in CEL, you want to earn in-kind) to own CEL token you can make more in-kind, 10% more, or even 15%, whatever number you come up with. The first part is talking about how to earn interest; the second part is about how to pay off the interest. If you are a platinum/Elite member and you took a Bitcoin loan, as an example, and you pay your interest in CEL, you get 75% off the loan interest payment. If you are a regular member, you get 50% off the loan interest payment. Once again, you can replace "platinum" with "Elite" here.

17. Taking your loan in CEL 0% interest, regardless of your tier level. Paying back your loan in CEL, you get 50% off, regardless of your tier level.

18. Borrowing: Platinum members (or Elite members) who borrow against their BTC, ETH, etc. get a lower interest rate. The BTC 33% LTV loan is now 3.9% and the 50% LTV loan is 5.9%, instead of the 33% LTV loan at 6.95% and the 50% LTV loan at 8.95%. This is much more attractive to a bitcoin maxi.

19. We want to set the platform up so that you can still come on the Celsius Network platform and not interact with CEL at all, but it's in your best interest to interact with CEL.

20. You don't have to raise the rate in CEL, everybody can get the same interest across the board. (I know you just raised it to 5.10%). You are an Elite member. That way you can get rid of the tier levels of Platinum, Gold, Silver and Bronze.

21. Focus on getting 100,000 members in this Elite Celsius club. That would be the job for your team, their focus, to get 100,000 Elite users. That's 100 million tokens you know that's not going anywhere because they need these benefits. You're going to make these benefits so lovely that they have to look and consider it. you leave them no choice, especially if you get on an exchange like Coinbase. Once you implement this and you're on an exchange like Coinbase, you'll be out the gate in a second.

22. Don't take the benefits away from the regular user, leave them as is, but make the Elite user benefits sweeter. Example: Change it so that pay back loan interest in CEL is 0.5% for the regular user, but if you're an Elite member it's 0.25%, which means you pay back a quarter, meaning you get a 75% discount when paying back your loan in CEL.

23. Without the CEL token we have no Community. This is what's going to hold up the company in the case of a "default" from a borrower. The company was funded through an ICO with the CEL token, so we can't forget our early investors, now that we have big investors.

24. The stronger the CEL token, the stronger the company; the more risks you can take.

25. You can compare this to raising money. You don't need it but raising \$750 million scales the company exponentially quicker, rather than using the profits of the company which will take much longer. Same for CEL token utilities, it will take 20 to 30 million members to achieve what you want via the flywheel, but "catching a bitcoin maxi" now expedites that process.

26. You can also run a Promo code for 30 days where regular members get the benefits of the Elite members regarding loans so that the regular members get a taste of what it means to be "Elite" and strive to get to Elite status.

27. Imagine having 100 million people on your platform and you run a Promo like this, just imagine what will happen to the CEL price then; circuit breakers might break on exchanges like they did on the first day you listed CEL token on Liquid in the summer of 2019.

28. Most of the people giving CEL utility ideas on Twitter are NOT looking at who they need to catch (a bitcoin or Eth maxi), they're looking at their wallet balance; they're not looking at the big picture. They're focused solely on themselves, not on the Bitcoin or the ETH maxi's, and those are the guys that you need to catch. This is kind of the same as how you came up with the service for yourself and everyone else raised their hand and said "me too."

29. HOW TO CATCH A FUCKING BITCOIN WHALE: \$1 million loan. The LTV is 50%, the loan term is one year, the APR is 8.95%, which means the monthly interest payments are \$7,458.33 and for the year you'll pay \$89,500. If you pay in CEL currently, what Celsius has now, you'll be paying 6.71% APR, you'll pay \$5,593.75 in monthly interest payments, and for the year you'll pay \$67,125.00. Mr. Parabolic, Jason A. Williams, is not going to ask you "What is the CEL token used for?" anymore, like he did on that interview. You're on my platform taking shots after my CEL token, all the while making all this money, Mr. Parabolic. What kind of disrespectful shit is that, the token that started this all, that started DeFi; the token that makes you make all of this money in weekly rewards, Mr. Parabolic (Jason A. Williams.) Wtf. NOW HERE COMES OUR PROPOSAL on how to Catch a Bitcoin Whale using the same \$1 million loan. Example: Now his monthly interest payment as an Elite member is \$1,865 (instead of \$7,458.33) and his total payback for the year is \$22,375 (instead of \$89,500), which is what he'll pay back as an Elite member.

30. Paying back in CEL as a non-Elite member the \$1 million loan: \$44,750 for the year; which turns out to be \$3,730 a month. So if you don't want to hold 1,000 CEL tokens and be an Elite member, this option is also available to you using the \$1 million loan as an example.

31. An Elite member that's not paying back in CEL, this is an Elite member that's paying back in-kind, would get a 25% discount, which in turn would be \$67,125 for the year and \$5,594 a month payback on his \$1 million loan. This is for an Elite member that chooses not to pay back in CEL token, which you're still getting benefits from this Elite member because to obtain Elite status he took 1,000 CEL tokens off the market.

32. That Elite member has to buy 475 CEL token to pay back that \$1 million loan every month. If the CEL price goes up they buy less CEL tokens; if the CEL price goes down they buy more CEL tokens. And they get all these benefits by holding 1,000 CEL tokens, and those 1,000 CEL tokens are collecting interest. That's what you call buy pressure. You guarantee more people in the market like Celsius buying lots of CEL tokens every week and this creates a new flywheel effect. So now Celsius is not the only big whale in the market buying CEL tokens weekly; you have whales now that have to buy CEL tokens to maintain their lifestyle that you've given them.

33. Right now for all these benefits is \$4,000 at \$4 CEL token price. That's what it costs today, but that's not what it's going to cost in the future.

34. You need Proof of Community to show from 1 to 100,000 are Elite members when people look at Proof of Community. A lot of these guys have "nothing" next to their name in Proof of Community, meaning they have no CEL. That's the goal. 100,000 of them as Elite members is 100 million CEL tokens that you, Celsius Network, don't have. They're just here to grab what they can, they're not members of the Community. You have to show them why it's important to be a member of the Celsius Community with these benefits. You put these utilities around interest and loans.

35. You said you don't make your money from the interest, you make your money from rehypothecation. So use it to its max, use it to your advantage.

36. Cascade of margin call questions. How do you plan to handle that, if CEL margin calls begin to pile up and everyone says liquidate my CEL to cover the margin? That's an existential threat to Celsius, because the price is hovering at \$3.50 to \$3.75. Below \$3.00 I anticipate you'll have a ton of margin calls.

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Bethany Davis

Chief of Staff to CEO

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